

§ 370.39

attached may not be denied legal effect, including legal effect as a signature, a writing, or an original, solely because the signature or record is in electronic form.

§ 370.39 To what extent is a digital signature admissible in any civil litigation or dispute?

In asserting a digital signature against you in any civil litigation or dispute, extrinsic evidence of authenticity as a condition precedent of admissibility (such as testimony about the scientific validity of digital signatures) is not necessary to establish:

(a) That a digital signature corresponds to a specific public key pair, and;

(b) That an electronic message to which the digital signature is affixed has not been altered from its original form.

§ 370.40 Can I be held accountable if my negligence contributes to a forged signature?

(a) *General.* If your failure to exercise ordinary care substantially contributes to the submission of a forged signature, then you cannot claim that the signature is a forgery. However, we cannot invoke this section against you if we cannot first establish that we were reasonable in relying upon the signature. If we can do so, you bear the burden of production and the burden of persuasion in establishing your exercise of ordinary care. If you cannot do so, then you cannot claim that the signature is a forgery.

(b) *Exception.* This section has no application in any dispute involving a debit authorization or credit card transaction.

§ 370.41 What limitations exist on liability?

In no instance does our liability extend beyond the amount of the transaction.

Subpart E—Additional Provisions

§ 370.45 What is the status of a security if the remittance cannot be collected?

If we cannot promptly collect all of the remittance for a security, we may

31 CFR Ch. II (7–1–04 Edition)

in our discretion cancel the security unless it has been legally transferred for value to a third person who had no knowledge of the improper debit entry at the time of the transfer.

§ 370.46 Are there any situations in which the Bureau of the Public Debt may waive these regulations?

We reserve the right, in our discretion, to waive any provision of these regulations in any case or class of cases. We may do so if such action is not inconsistent with law and will not subject the United States to substantial expense or liability.

§ 370.47 To what extent may the Bureau of the Public Debt change these regulations?

Any aspect of this part may be changed at any time and without notice. You assume the risk that a change may terminate a provision that was to your advantage. Nothing in this part creates vested rights in your favor.

PART 375—MARKETABLE TREASURY SECURITIES REDEMPTION OPERATIONS

Subpart A—General Information

Sec.

375.0 What authority does the Treasury have to redeem its securities?

375.1 Where are the rules for the redemption operation located?

375.2 What special definitions apply to this rule?

375.3 What is the role of the Federal Reserve Bank of New York in this process?

Subpart B—Offering, Certifications, and Delivery

375.10 What is the purpose of the redemption operation announcement?

375.11 Who may participate in a redemption operation?

375.12 How do I submit an offer?

375.13 What requirements apply to offers?

375.14 Do I have to make any certifications?

375.15 Who is responsible for delivering securities?

Subpart C—Determination of Redemption Operation Results; Settlement

375.20 When will the Treasury decide on which offers to accept?

Fiscal Service, Treasury

§ 375.2

375.21 When and how will the Treasury announce the redemption operation results?

375.22 Will I receive confirmations and, if I am submitting offers for others, do I have to provide confirmations?

375.23 How does the securities delivery process work?

Subpart D—Miscellaneous Provisions

375.30 Does the Treasury have any discretion in this process?

375.31 What could happen if someone does not fully comply with the redemption operation rules or fails to deliver securities?

AUTHORITY: 5 U.S.C. 301; 31 U.S.C. 3111; 12 U.S.C. 391.

SOURCE: 65 FR 3116, Jan. 19, 2000, unless otherwise noted.

Subpart A—General Information

§ 375.0 What authority does the Treasury have to redeem its securities?

Section 3111 of Title 31 of the United States Code authorizes the Secretary of the Treasury to use money received from the sale of an obligation and other money in the general fund of the Treasury to buy, redeem, or refund, at or before maturity, outstanding bonds, notes, certificates of indebtedness, Treasury bills, or savings certificates of the United States Government. For the purposes of this part, we will refer to these outstanding obligations as “securities”.

§ 375.1 Where are the rules for the redemption operation located?

The provisions in this part and the redemption operation announcement govern the redemption of marketable Treasury securities under 31 U.S.C. 3111. (See § 375.10.)

§ 375.2 What special definitions apply to this rule?

The definitions in 31 CFR part 356 govern this part except as follows:

Accrued interest means an amount payable by the Treasury as part of the settlement amount for the interest income earned between the last interest payment date up to and including the settlement date.

Bank means the Federal Reserve Bank of New York.

Customer means a person or entity on whose behalf a submitter has been directed to submit an offer of a specified amount of securities in a specific redemption operation.

Minimum offer amount means the smallest par amount of a security that may be offered to the Treasury. We will state the minimum offer amount in the redemption operation announcement.

Multiple means the smallest additional par amount of a security that may be offered to the Treasury. We will state the multiple in the redemption operation announcement.

Offer means an offer to deliver for redemption a stated par amount of a specific security to the Treasury at a stated price.

Price means the dollar amount to be paid for a security expressed as a percent of its current par amount.

Privately held amount means the total amount outstanding of a security less holdings of the Federal Reserve System and Federal Government accounts.

Redemption amount means the maximum par amount of securities that we are planning to redeem through a redemption operation. We will state the redemption amount in the redemption operation announcement.

Redemption operation means a competitive process by which the Treasury accepts offers of marketable Treasury securities that by their terms are not immediately payable.

Security means an outstanding unmatured obligation of the United States Government that the Secretary is authorized to buy, redeem or refund under section 3111 of Title 31 of the United States Code.

Settlement means full and complete delivery of and payment for securities redeemed.

Settlement amount means the par amount of each security that we redeem, multiplied by the price we accept in a redemption operation, plus any accrued interest.

Settlement date means the date specified in the redemption operation announcement on which you must deliver a security to the Treasury for payment.

Submitter means an entity submitting offers directly to the Treasury for its